

Executive Summary – Enforcement Matter – Case No. 45855

Pilgrim's Pride Corporation

RN102184041

Docket No. 2012-2706-IWD-E

Order Type:

Findings Agreed Order

Findings Order Justification:

People or environmental receptors have been exposed to pollutants which exceed levels that are protective.

Media:

IWD

Small Business:

No

Location(s) Where Violation(s) Occurred:

Pilgrim's Pride Northeast Texas Complex WWTP, 664 Farm-to-Market Road 127 West, Mount Pleasant, Titus County

Type of Operation:

Wastewater treatment plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 21, 2013

Comments Received: No

Penalty Information

Total Penalty Assessed: \$63,987

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$31,994

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$31,993

Name of SEP: Texas Association of Resource Conservation and Development Areas, Inc. - Water or Wastewater Treatment Assistance

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2011

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Pilgrim's Pride Corporation
RN102184041
Docket No. 2012-2706-IWD-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: December 6, 2012

Date(s) of NOE(s): December 13, 2012

Violation Information

1. Failed to comply with permitted effluent limitations for total suspended solids, ammonia nitrogen, total residual chlorine, dissolved oxygen, and Lethal Whole Effluent Toxicity [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), National Pollutant Discharge Elimination System Permit No. TX0062936, Discharge Limitations, Texas Water Commission Permit No. 03017, Effluent Limitations and Monitoring Requirements No. 1, and Texas Pollutant Discharge Elimination System (TPDES) Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements No. 1].
2. Failed to collect and analyze monthly and single grab samples at the minimum frequency specified in the permit [30 TEX. ADMIN. CODE §§ 305.125(1) and (11)(A) and 319.4 and 319.5(b) and TPDES Permit No. WQ0003017000, Monitoring and Reporting Requirements No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

Respondent resumed sample collection and analyses for all permitted effluent limit parameters by July 31, 2012.

Technical Requirements:

The Order will require Respondent to:

1. Implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A.)
2. Within 180 days, submit written certification of compliance with the permitted effluent limitations of TPDES Permit No. WQ0003017000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations.

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

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Pilgrim's Pride Corporation
RN102184041
Docket No. 2012-2706-IWD-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Jill Russell, Enforcement Division, Enforcement Team 3, MC 169, (512) 239-4564; Debra Barber, Enforcement Division, MC 219, (512) 239-0412

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: William Lovette, President/CEO, Pilgrim's Pride Corporation, 1770 Promontory Circle, Greeley, Colorado 80634-9039

Respondent's Attorney: Brad Castleberry, Lloyd Gosselink , Attorneys at Law, Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701

Attachment A
Docket Number: 2012-2706-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Pilgrim's Pride Corporation
Penalty Amount:	Sixty-Three Thousand Nine Hundred Eighty-Seven Dollars (\$63,987)
SEP Amount:	Thirty-One Thousand Nine Hundred Ninety-Three Dollars (\$31,993)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Recipient:	Texas Association of Resource Conservation and Development Areas, Inc. ("RC&D") - Water or Wastewater Treatment Assistance
Location of SEP:	Titus County; Sulphur, Trinity, and Cypress Creek River Basins; Carrizo-Wilcox Aquifer

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to Texas Association of Resource Conservation and Development Areas, Inc. to be used for the RC&D Water or Wastewater Treatment Assistance Program as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide low income rural homeowners with assistance to enable the repair or replacement of their failing on-site wastewater systems. SEP monies will be used to pay for the labor and materials costs related to repairing or replacing the failing systems. The recipients will not be charged for the cost of replacing or repairing the failing systems. If RC&D is unable to spend the total SEP Offset Amount on this project, upon approval of the Executive Director, the remaining SEP Offset Amount may be applied to another approved RC&D project.

Pilgrim's Pride Corporation
Agreed Order - Attachment A

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by protecting water sources for drinking, recreation, and wildlife from contamination from failing treatment systems.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Recipient. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
Attention: Ken Awtrey
P.O. Box 635067
Nacogdoches, Texas 75961

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Recipient. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP

Pilgrim's Pride Corporation
Agreed Order - Attachment A

amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

DATES	Assigned	17-Dec-2012	Screening	19-Dec-2012	EPA Due	5-Mar-2013
	PCW	25-Jan-2013				

RESPONDENT/FACILITY INFORMATION	
Respondent	Pilgrim's Pride Corporation
Reg. Ent. Ref. No.	RN102184041
Facility/Site Region	5-Tyler
Major/Minor Source	Major

CASE INFORMATION		No. of Violations	3
Enf./Case ID No.	45855	Order Type	Findings
Docket No.	2012-2706-IWD-E	Government/Non-Profit	No
Media Program(s)	Water Quality	Enf. Coordinator	Jill Russell
Multi-Media		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$43,750
ADJUSTMENTS (+/-) TO SUBTOTAL 1		
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.		
Compliance History	50.0% Enhancement	Subtotals 2, 3, & 7
Notes	Enhancement for one order with denial of liability and six months of self-reported effluent violations.	\$21,875
Culpability	0.0% Enhancement	Subtotal 4
Notes	The Respondent does not meet the culpability criteria.	\$0
Good Faith Effort to Comply Total Adjustments		Subtotal 5
		\$1,875
Economic Benefit	0.0% Enhancement*	Subtotal 6
Total EB Amounts	\$1,047	
Approx. Cost of Compliance	\$10,225	
	*Capped at the Total EB \$ Amount	\$0
SUM OF SUBTOTALS 1-7	Final Subtotal	\$63,750
OTHER FACTORS AS JUSTICE MAY REQUIRE	0.4%	Adjustment
Notes	Enhancement to capture the avoided cost of compliance associated with violation no. 3.	\$237
	Final Penalty Amount	\$63,987
STATUTORY LIMIT ADJUSTMENT		Final Assessed Penalty
		\$63,987
DEFERRAL	0.0% Reduction	Adjustment
Notes	No deferral is recommended for Findings Orders.	\$0
PAYABLE PENALTY		\$63,987

Screening Date 19-Dec-2012

Docket No. 2012-2706-IWD-E

PCW

Respondent Pilgrim's Pride Corporation

Policy Revision 3 (September 2011)

Case ID No. 45855

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102184041

Media [Statute] Water Quality

Enf. Coordinator Jill Russell

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	6	30%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 50%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

Enhancement for one order with denial of liability and six months of self-reported effluent violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 50%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 50%

Screening Date 19-Dec-2012

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PCW

Respondent Pilgrim's Pride Corporation

Policy Revision 3 (September 2011)

Case ID No. 45855

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102184041

Media [Statute] Water Quality

Enf. Coordinator Jill Russell

Violation Number 1

Rule Cite(s)

Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements No. 1

Violation Description

Failed to comply with permitted effluent limitations, as documented during a record review conducted on December 6, 2012, and shown in the attached table.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

	Major	Moderate	Minor
Release			
Actual	X		
Potential			

Percent 100.0%

>> Programmatic Matrix

	Major	Moderate	Minor
Falsification			

Percent 0.0%

Matrix Notes

A simplified model was used to evaluate ammonia nitrogen to determine whether the discharged amounts of pollutants exceeded levels that are protective of human health or the environmental receptors. Dissolved oxygen and whole effluent toxicity were also considered. As a result of these discharges, human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors.

Adjustment \$0

\$25,000

Violation Events

Number of Violation Events 1

30 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$25,000

One monthly event is recommended that includes the month of September 2012.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Extraordinary

Ordinary

N/A

Notes

Before NOV NOV to EDPRP/Settlement Offer

X (mark with x)

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$25,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$810

Violation Final Penalty Total \$37,639

This violation Final Assessed Penalty (adjusted for limits) \$37,639

Economic Benefit Worksheet

Respondent Pilgrim's Pride Corporation
 Case ID No. 45855
 Reg. Ent. Reference No. RN102184041
 Media Water Quality
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	31-Jan-2012	13-Sep-2013	1.62	\$810	n/a	\$810

Notes for DELAYED costs

Estimated cost to determine the cause of noncompliance and take necessary corrective actions to maintain compliance with permitted effluent limits. Date required is the first month of noncompliance. The final date is the expected date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$810

Screening Date 19-Dec-2012
Respondent Pilgrim's Pride Corporation
Case ID No. 45855
Reg. Ent. Reference No. RN102184041
Media [Statute] Water Quality
Enf. Coordinator Jill Russell

Docket No. 2012-2706-IWD-E

PCW

Policy Revision 3 (September 2011)
PCW Revision August 3, 2011

Violation Number 2

Rule Cite(s)

Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), National Pollutant Discharge Elimination System Permit No. TX0062936, Discharge Limitations, Texas Water Commission Permit No. 03017, Effluent Limitations and Monitoring Requirements No. 1, and TPDES Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements No. 1

Violation Description

Failed to comply with permitted effluent limitations, as documented during a record review conducted on December 6, 2012, and shown in the attached table.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			X	15.0%
	Potential				

>> Programmatic Matrix

	Falsification				Percent
		Major	Moderate	Minor	
					0.0%

Matrix Notes

A simplified model was used to evaluate ammonia nitrogen to determine whether the discharged amounts of pollutants exceeded levels that are protective of human health or the environmental receptors. Total suspended solids, total residual chlorine, and ammonia nitrogen daily maximum and daily average loading were also considered. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels protective of human health or environmental receptors.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 3 154 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$11,250

Three quarterly events are recommended that include the months of January, May, June, July and August 2012.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV		NOV to EDPRP/Settlement Offer
	Extraordinary	Ordinary	
N/A	X		(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$11,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$16,938

This violation Final Assessed Penalty (adjusted for limits) \$16,938

Economic Benefit Worksheet

Respondent Pilgrim's Pride Corporation
Case ID No. 45855
Reg. Ent. Reference No. RN102184041
Media Water Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

See economic benefit for Violation No. 1.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$0

TOTAL \$0

Screening Date 19-Dec-2012

Docket No. 2012-2706-IWD-E

PCW

Respondent Pilgrim's Pride Corporation

Policy Revision 3 (September 2011)

Case ID No. 45855

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN102184041

Media [Statute] Water Quality

Enf. Coordinator Jill Russell

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 305.125(1) and (11)(A) and 319.4 and 319.5(b) and TPDES Permit No. WQ0003017000, Monitoring and Reporting Requirements No. 1

Violation Description

Failed to collect and analyze monthly and single grab samples at the minimum frequency specified in the permit, as documented in a record review conducted on December 6, 2012. Specifically, the Respondent failed to collect and analyze monthly samples for conductivity, total phosphorus, total phosphorus (monthly), total phosphorus (annual), chloride, and total dissolved solids. In addition, the Respondent failed to collect and analyze monthly and single grab samples for 5-day biochemical oxygen demand, total nitrogen, total sulfate, total residual chlorine, and Escherichia Coli ("E. coli") at Outfall No. 001 for the monitoring period ending June 30, 2012.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1

30 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	x
	quarterly	
	semiannual	
	annual	
	single event	

Violation Base Penalty \$7,500

One monthly event is recommended for the month of June 2012.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes The Respondent achieved compliance by July 31, 2012.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$237

Violation Final Penalty Total \$9,410

This violation Final Assessed Penalty (adjusted for limits) \$9,410

Economic Benefit Worksheet

Respondent Pilgrim's Pride Corporation
Case ID No. 45855
Reg. Ent. Reference No. RN102184041
Media Water Quality
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$225	6-Jun-2012	31-Jul-2012	1.07	\$12	\$225	\$237

Notes for AVOIDED costs

Estimated avoided cost to collect and analyze samples for conductivity, total phosphorus, chloride, total dissolved solids, 5-day biochemical oxygen demand, total nitrogen, total sulfate, total residual chlorine, and *E. Coli* at Outfall 001 during the monitoring period ending 06/30/2012. (\$25 per parameter per month) Date required is the date the TPDES Permit was issued. Final date is the date the Respondent resumed sampling for all permitted parameters.

Approx. Cost of Compliance

\$225

TOTAL

\$237

Effluent Violations Table						
Pilgrim's Pride Corporation						
RN102184041; Docket 2012-2706-IWD-E						
NPDES Permit No. TX0062936 and Texas Water Commission Permit No. 03017						
Month/Year	Total Suspended Solids DMAX Loading		Ammonia Nitrogen DMAX Loading (April – October)			
	Limit =751 lb/d		Limit =50 lb/d			
January 2012	1,041		c			
May 2012	c		113.4			
TPDES Permit No. WQ0003017000						
	Ammonia Nitrogen DMAX Concentra- tion	Ammonia Nitrogen DAV Concentra- tion	Ammonia Nitrogen DAV Loading	Total Suspended Solids DMAX Loading	Chlorine, total residual Instantaneous Maximum Concentration	Dissolved Oxygen Minimum
Month/ Year	Limit = 2 mg/L	Limit = 1 mg/L	Limit = 29 lb/d	Limit = 751 lb/d	Limit = 0.1 mg/L	Limit = 6 mg/L
June 2012	2.77	c	c	759	Not tested	c
July 2012	2.74	c	c	c	0.5	c
August 2012	12.10	1.77	54	c	c	c
September 2012	15.80	4.65	128	c	c	5.88
TPDES Permit No. WQ0003017000						
Month/Year	Lethal WET Limit <i>Ceriodaphnia dubia</i> DAV			Lethal WET Limit <i>Ceriodaphnia dubia</i> DMAX		
	7-Day Chronic NOEC = 98%*			7-Day Chronic NOEC = 98%*		
September 2012	55			55		

NPDES = National Pollutant Discharge Elimination System

TPDES = Texas Pollutant Discharge Elimination System

DAV = Daily Average, DMAX = Daily Maximum

mg/L = milligrams per liter, lb/d = pounds per day, c = compliant

NOEC = No Observed Effect Concentration, WET = Whole Effluent Toxicity

* Did not meet the Lethal WET effluent limitation criteria for the lethal NOEC of not less than 98% during the quarterly toxicity testing.

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



Compliance History Report

PUBLISHED Compliance History Report for CN601276660, RN102184041, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

Customer, Respondent, or Owner/Operator: CN601276660, Pilgrim's Pride Corporation **Classification:** SATISFACTORY **Rating:** 11.40

Regulated Entity: RN102184041, PILGRIMS PRIDE
NORTHEAST TEXAS COMPLEX WWTP **Classification:** SATISFACTORY **Rating:** 10.83

Complexity Points: 12 **Repeat Violator:** NO

CH Group: 14 - Other

Location: 664 FARM-TO-MARKET ROAD 127 WEST, MOUNT PLEASANT, TITUS COUNTY, TEXAS

TCEQ Region: REGION 05 - TYLER

ID Number(s):

WASTEWATER PERMIT WQ0003017000

WASTEWATER EPA ID TX0062936

WASTEWATER LICENSING LICENSE WQ0003017000

Compliance History Period: September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

Date Compliance History Report Prepared: December 17, 2012

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: December 17, 2007 to December 17, 2012

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Jill Russell

Phone: (512) 239-4564

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If YES for #2, who is the current owner/operator? N/A
- 4) If YES for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If YES, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 04/25/2010 ADMINORDER 2009-1337-IWD-E (1660 Order-Agreed Order With Denial)
Classification: Major
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
Description: Failure to prevent the unauthorized discharge of industrial wastewater to waters of the state.
Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov:Eff. Limitations and Monit. Req. No. 1 PERMIT
Description: Failure to comply with permitted effluent limits.
Classification: Minor
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov:Other Requirements No. 2 PERMIT
Description: Failure to maintain sludge disposal records.
Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov:Monitoring and Reporting No. 7.b PERMIT
Description: Failure to submit notifications for any noncompliance which is 40% or more over the permitted effluent limit.

Classification: Minor
 Description: Failure to submit notifications for any noncompliance which is 40% or more over the permitted effluent limit.
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Rqmt Prov: Other Requirements No. 6 PERMIT
 Description: Failure to maintain weekly records of the sludge lagoon level.
 Classification: Minor
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 30 TAC Chapter 305, SubChapter F 305.125(5)
 Rqmt Prov: Operational Requirements No. 1 PERMIT
 Description: Failure to properly operate and maintain all facilities and systems of treatment and control which are installed and used by the permittee to achieve compliance with the conditions of the permit.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	January 03, 2008	(810951)
Item 2	January 31, 2008	(810954)
Item 3	February 20, 2008	(810928)
Item 4	March 20, 2008	(810931)
Item 5	April 18, 2008	(810932)
Item 6	June 20, 2008	(810936)
Item 7	August 12, 2008	(810941)
Item 8	September 18, 2008	(810943)
Item 9	October 15, 2008	(810945)
Item 10	November 21, 2008	(810948)
Item 11	December 19, 2008	(810952)
Item 12	January 21, 2009	(810955)
Item 13	February 19, 2009	(810929)
Item 14	March 20, 2009	(810930)
Item 15	April 21, 2009	(810933)
Item 16	April 09, 2010	(810953)
Item 17	June 23, 2010	(833063)
Item 18	July 21, 2010	(867704)
Item 19	August 11, 2010	(844866)
Item 20	April 14, 2011	(927357)
Item 21	May 12, 2011	(938792)
Item 22	July 15, 2011	(953427)
Item 23	November 21, 2011	(978297)
Item 24	December 19, 2011	(985096)
Item 25	January 20, 2012	(991374)
Item 26	March 21, 2012	(1004258)
Item 27	April 20, 2012	(1010823)
Item 28	May 21, 2012	(1017197)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date:	01/31/2012 (998735)	CN601276660
	Self Report?	YES	Classification: Moderate
	Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)	
	Description:	Failure to meet the limit for one or more permit parameter	

2	Date: 05/31/2012 (1024979)	CN601276660	
	Self Report? YES	Classification:	Moderate
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)		
	30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
3	Date: 06/30/2012	CN601276660	
	Self Report? YES	Classification:	Moderate
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)		
	30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
4	Date: 07/31/2012	CN601276660	
	Self Report? YES	Classification:	Moderate
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)		
	30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
5	Date: 08/31/2012	CN601276660	
	Self Report? YES	Classification:	Moderate
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)		
	30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		
6	Date: 09/30/2012	CN601276660	
	Self Report? YES	Classification:	Moderate
	Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)		
	30 TAC Chapter 305, SubChapter F 305.125(1)		
	Description: Failure to meet the limit for one or more permit parameter		

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN	§	BEFORE THE
ENFORCEMENT ACTION	§	
CONCERNING	§	TEXAS COMMISSION ON
PILGRIM'S PRIDE CORPORATION	§	
RN102184041	§	ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2012-2706-IWD-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Pilgrim's Pride Corporation ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent, represented by Mr. Brad Castleberry of the law firm of Lloyd Gosselink Attorneys at Law, presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a wastewater treatment plant at 664 Farm-to-Market Road 127 West in Mount Pleasant, Titus County, Texas (the "Facility").
2. The Respondent has discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.

3. During a record review on December 6, 2012, TCEQ staff documented that the Facility had not been meeting the permitted effluent limitations as shown in the following table:

Effluent Violations Table						
NPDES Permit No. TX0062936 and Texas Water Commission Permit No. 03017						
Month/Year	Total Suspended Solids DMAX Loading		Ammonia Nitrogen DMAX Loading (April – October)			
	Limit =751 lb/d		Limit =50 lb/d			
January 2012	1,041		c			
May 2012	c		113.4			
TPDES Permit No. WQ0003017000						
	Ammonia Nitrogen DMAX Concentra- tion	Ammonia Nitrogen DAV Concentra- tion	Ammonia Nitrogen DAV Loading	Total Suspended Solids DMAX Loading	Chlorine, total residual Instantaneous Maximum Concentration	Dissolved Oxygen Minimum
Month/ Year	Limit = 2 mg/L	Limit = 1 mg/L	Limit = 29 lb/d	Limit = 751 lb/d	Limit = 0.1 mg/L	Limit = 6 mg/L
June 2012	2.77	c	c	759	Not tested	c
July 2012	2.74	c	c	c	0.5	c
August 2012	12.10	1.77	54	c	c	c
September 2012	15.80	4.65	128	c	c	5.88
TPDES Permit No. WQ0003017000						
Month/Year	Lethal WET Limit <i>Ceriodaphnia dubia</i> DAV			Lethal WET Limit <i>Ceriodaphnia dubia</i> DMAX		
	7-Day Chronic NOEC = 98%*			7-Day Chronic NOEC = 98%*		
September 2012	55			55		

NPDES = National Pollutant Discharge Elimination System

TPDES = Texas Pollutant Discharge Elimination System

DAV = Daily Average, DMAX = Daily Maximum

mg/L = milligrams per liter, lb/d = pounds per day, c = compliant

NOEC = No Observed Effect Concentration, WET = Whole Effluent Toxicity

* Did not meet the Lethal WET effluent limitation criteria for the lethal NOEC of not less than 98% during the quarterly toxicity testing.

4. During a record review on December 6, 2012, TCEQ staff documented that the Respondent did not collect and analyze monthly samples for conductivity, total phosphorus, total phosphorus (monthly), total phosphorus (annual), chloride, and total dissolved solids at Outfall No. 001 for the monitoring period ending June 30, 2012. In addition, the Respondent did not collect and analyze monthly and single grab samples for 5-day biochemical oxygen demand, total nitrogen, total sulfate, total residual chlorine, and *Escherichia Coli* ("*E. coli*") at the same outfall and monitoring period.
5. The Respondent received notice of the violations on December 18, 2012.
6. The Executive Director recognizes that the Respondent resumed sample collection and analyses for all permitted effluent limit parameters by July 31, 2012.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE chs. 7 and 26 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to comply with permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), NPDES Permit No. TX0062936, Discharge Limitations, Texas Water Commission Permit No. 03017, Effluent Limitations and Monitoring Requirements No. 1, and TPDES Permit No. WQ0003017000, Effluent Limitations and Monitoring Requirements No. 1.
3. As evidenced by Findings of Fact No. 4, the Respondent failed to collect and analyze monthly and single grab samples at the minimum frequency specified in the permit, in violation of 30 TEX. ADMIN. CODE §§ 305.125(1) and (11)(A) and 319.4 and 319.5(b) and TPDES Permit No. WQ0003017000, Monitoring and Reporting Requirements No. 1.
4. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
5. An administrative penalty in the amount of Sixty-Three Thousand Nine Hundred Eighty-Seven Dollars (\$63,987) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid Thirty-One Thousand Nine Hundred Ninety-Four Dollars (\$31,994) of the administrative penalty. Thirty-One Thousand Nine Hundred Ninety-Three Dollars (\$31,993) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Sixty-Three Thousand Nine Hundred Eighty-Seven Dollars (\$63,987) as set forth in Section II, Paragraph 5 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Pilgrim's Pride Corporation, Docket No. 2012-2706-IWD-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 5 above, Thirty-One Thousand Nine Hundred Ninety-Three Dollars (\$31,993) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The Respondent shall, within 180 days after the effective date of this Agreed Order, submit written certification of compliance with the permitted effluent limitations of TPDES Permit No. WQ0003017000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations. The certification shall include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with the permitted effluent limitations.

The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Water Section Manager
Tyler Regional Office
Texas Commission on Environmental Quality
2916 Teague Drive
Tyler, Texas 75701-3734

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director.

The determination of what constitutes good cause rests solely with the Executive Director.

7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
8. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
9. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
10. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
11. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

7/1/13
Date

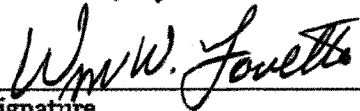
I, the undersigned, have read and understand the attached Agreed Order in the matter of Pilgrim's Pride Corporation. I am authorized to agree to the attached Agreed Order on behalf of Pilgrim's Pride Corporation, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Pilgrim's Pride Corporation waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

April 19, 2013
Date

William Lovette
Name (Printed or typed)
Authorized Representative of
Pilgrim's Pride Corporation

President & CEO
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section III, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2012-2706-IWD-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Pilgrim's Pride Corporation
Penalty Amount:	Sixty-Three Thousand Nine Hundred Eighty-Seven Dollars (\$63,987)
SEP Amount:	Thirty-One Thousand Nine Hundred Ninety-Three Dollars (\$31,993)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Recipient:	Texas Association of Resource Conservation and Development Areas, Inc. ("RC&D") - Water or Wastewater Treatment Assistance
Location of SEP:	Titus County; Sulphur, Trinity, and Cypress Creek River Basins; Carrizo-Wilcox Aquifer

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to Texas Association of Resource Conservation and Development Areas, Inc. to be used for the RC&D Water or Wastewater Treatment Assistance Program as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to provide low income rural homeowners with assistance to enable the repair or replacement of their failing on-site wastewater systems. SEP monies will be used to pay for the labor and materials costs related to repairing or replacing the failing systems. The recipients will not be charged for the cost of replacing or repairing the failing systems. If RC&D is unable to spend the total SEP Offset Amount on this project, upon approval of the Executive Director, the remaining SEP Offset Amount may be applied to another approved RC&D project.

Pilgrim's Pride Corporation
Agreed Order - Attachment A

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by protecting water sources for drinking, recreation, and wildlife from contamination from failing treatment systems.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Recipient. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Texas Association of Resource Conservation and Development Areas, Inc.
Attention: Ken Awtrey
P.O. Box 635067
Nacogdoches, Texas 75961

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Recipient. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP

Pilgrim's Pride Corporation
Agreed Order - Attachment A

amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.